CITY OF MIAMI BEACH

Office of the City Manager Letter to Commission No. 096-2004



Date: April 26, 2004

To:

Mayor David Dermer and

Members of the City Commission

From:

Jorge M. Gonzalez N

City Manager

Subject:

Atlantic Broadband - City of Miami Beach Cable Provider

Attached for your perusal is a letter from Mr. Dave Keefe, Chief Executive Officer, Atlantic Broadband.

JMG\REP

c: Robert Parcher Tim Hemstreet RECEIVE Dave Keefe,
Chief Executive Officer
O4 APR 23 PH 3: Atlantic Broadband
F681 Kennedy Causeway
OTY CLERK'S OFFICE
April 20, 2004

Mr. Robert Parcher City of Miami Beach 1700 Convention Center Drive Miami Beach, FL 33139

Dear Mr. Parcher:

As you know, Atlantic Broadband became your local cable operator just over a month ago. Since then we have been working to enhance service and programming and generally improve operations. I am delighted to inform you that May 24 will mark the official launch of the Atlantic Broadband brand. Effective on that date, we will greet customers who call our offices with the Atlantic Broadband name, we will unveil new signage on our buildings and vehicles, and the written materials we provide to our customers will bear the Atlantic Broadband name and logo.

I am also pleased to inform you that effective April, 26, 2004, Kevin Maguire will take over as our Vice President and General Manager for our Florida systems. Kevin has had extensive senior management experience in the cable television and satellite television businesses and we are fortunate to add such an accomplished operating executive to our company. Most recently, Kevin served as Vice President for the South District of Adelphia Communications' Florida operations. Previously, Kevin was the Chief Operating Officer and Senior Vice President of Operations for Australis Media, a satellite television operator in Sydney, Australia. In addition, Kevin has held several key marketing and operations roles with Crown Cable in Southern California.

These changes at Atlantic Broadband are more than cosmetic. Atlantic Broadband is a new communications company with over 250,000 customers in three operating regions: Miami Beach, Western Pennsylvania and Maryland/Delaware. We may be a new company but our management team has deep roots in the cable and communications industries. Our mission is simple: to create and deliver products and services that simplify and enrich our customers' lives through our digital broadband network. We are dedicated to fulfilling the promises we have made to you and to our customers by providing more choice, better customer service and greater value to our subscribers.

To that end, we want you to be aware of some changes that will be coming soon. First, we will be upgrading our High Speed Internet Service offering, increasing the quality of the service and offering more attractive discounts to customers who buy both video and Internet services. Effective with the launch, we will offer increased speeds at all levels of the service, as well as more e-mail addresses, expanded web-hosting and better news group offerings. At the same time, we will also offer attractive pricing discounts to customers who elect to purchase both High Speed Internet Service and video services. Importantly, these High Speed Internet Service discounts will be offered to customers who subscribe to any level of video service, not

just the upper tiers. We are also planning improvements to our video programming, and in the next several months we plan to add premium level programming to our primary digital tier. We also plan to significantly improve the Latino tier, increasing the number of channels from seven to more than twenty. We will keep you informed of the dates and specifics as these additions become final.

In addition, please be advised that effective May 24, 2004, we will begin the process of simplifying our products and services. We will offer discounts to all video customers who purchase more than one premium service, versus today's requirement that the customer purchase three or four premium services to earn a discount. We are also introducing Atlantic Broadband Digital Service. This new tier, priced at \$9.95, will be available to all customers. For new subscribers to the system, Atlantic Broadband Digital Service will be the choice for a digital tier, and as we add the programming mentioned above, it will be part of this package. Effective on May 24, 2004, the existing digital tiers will be available only to customers who are already subscribers to a video service on the system.

Cable television continues to be the premier choice for multichannel video entertainment and high-speed Internet services for customers across the country. Atlantic Broadband has, with your support, become a top twenty cable operator in the U.S. We are dedicated to providing customers with first-rate entertainment value by adding new services to the digital lineup, re-sizing packages to more accurately meet customer needs and offering significant savings to customers taking multiple Atlantic Broadband services. Atlantic Broadband offers local broadcast stations without additional charge, and in many communities we provide locally-produced programming focused on community events and issues. Locally connecting its customers with the latest technology and entertainment options — that's what Atlantic Broadband works on every day.

Please do not hesitate to contact me or to call our Vice President for Regulatory and Government Affairs, Donna Garofano, 312 927 2773, dgarofano@atlanticbb.com, or our Vice President and General Counsel, Bartlett Leber, 617-786-8800, bleber@atlanticbb.com should you have any questions. After April 26, 2004, please feel free to contact our new Vice President and General Manager, Kevin Maguire at (305) 861 8069, kmaguire@atlanticbb.com.

We look forward to serving your community.

Sincerely,

David I. Keefe, CFO